

WASHINGTON, D.C. - Today, Congressman Jim Costa (D-Fresno) and a bipartisan group of legislators introduced the National Conservation, Environment and Energy Independence Act. The bill takes a comprehensive approach to increase energy supply, while reducing energy demand. It also provides funding for a variety of goals, including environmental restoration, energy conservation, renewable energy, carbon capture and sequestration, and the Low Income Home Energy Assistance Program (LIHEAP).

“Our country is currently facing an energy crisis that is having a devastating effect on our economy, and particularly on the poor, working class, and small business owners,” said Costa. “We need all the energy tools in our toolbox to help reduce our need for foreign oil, along with protecting our environment.”

Over the past several weeks, Costa has been working with a bipartisan group of House members to develop a common sense energy bill. The National Conservation, Environment and Energy Independence Act removes the existing moratoria on oil and natural gas production in the Outer Counter Shelf for waters 25 miles offshore and beyond. For waters that are 25 to 50 miles from shore, the bill gives states the right to opt-out and remove those areas from leasing. The bill prohibits leasing within 25 miles of a coastline.

Total projected royalties for all the oil and natural gas estimated to be in the areas opened by the bill are approximately \$2.6 trillion. These revenues will be distributed to the state and federal government, as well as to a variety of environmental and energy programs, as follows:

•	30% to the General Fund of the U.S. Treasury
•	30% to Producing States
•	8% for the Conservation Reserve
•	10% to the Environmental Restoration Reserve
•	15% to the Renewable Energy Reserve
•	5% to the Carbon Capture/Sequestration and Nuclear Waste Reserve
•	2% to the Low Income Home Energy Assistance Program

The bill also extends numerous existing tax incentives for cleaner energy production and conservation, including solar and wind power, energy efficiency measures and alternative fuel vehicles.

In addition, the bill modifies the Strategic Petroleum Reserve to today's refining capabilities by

exchanging 10% (70 million barrels) of the reserve's content and dedicates funds received from the exchange of supply and existing SPR funds (\$1.4 billion estimated) to existing conservation, energy research and development, and energy assistance programs. Specifically, funds received will go toward programs such as wind energy research, solar energy research, marine and hydrokinetic renewable energy, geothermal energy development, and many more.

“I believe this combination of increasing supply and reducing demand, which this bill does, will reduce our energy costs, along with creating new jobs,” said Costa. “And even more important, this bill provides a framework for moving us toward cleaner and renewable sources of energy, and toward energy independence.”